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SERVICE DATE - NOVEMBER 10, 1997

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Docket No. MC-F-20912]

Peter Pan Bus Lines, Inc.--Pooling--Greyhound Lines, Inc.

AGENCY: Surface Transportation Board.

ACTION: Notice of proposed pooling application.

SUMMARY: Applicants, Peter Pan Bus Lines, Inc., of Springfield, MA, and Greyhound Lines, Inc., of Dallas, TX, jointly seek approval under 49 U.S.C. 14302 of an operations and revenue pooling agreement to govern their motor passenger and express transportation service between Boston, MA, and New York, NY, and between Springfield, MA, and New York, NY.

DATES: Comments are due by December 10, 1997, and, if comments are filed, applicants' rebuttal statement is due by December 30, 1997.

ADDRESSES: Send an original and 10 copies of any comments referring to STB Docket No. MC-F-20912 to: Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. Also, send one copy of comments to each of applicants' representatives: (1) Jeremy Kahn, Suite 810, 1730 Rhode Island Avenue, N.W., Washington, DC 20036; (2) Fritz R. Kahn, Suite 750 West, 1100 New York Avenue, N.W., Washington, DC 20005-3934.

FOR FURTHER INFORMATION CONTACT: Joseph H. Dettmar, (202) 565-1600.

[TDD for the hearing impaired: (202) 565-1695.]

SUPPLEMENTARY INFORMATION: Applicants are competitors on certain intercity routes between Boston, MA, and New York, NY, and between Springfield, MA, and New York, NY. They seek to pool portions of their passenger and express services over routes which they both operate, and to share the revenues derived from their operations over these routes.¹ Applicants state that their services between these points overlap and that excess schedules are operated because of the need to protect their respective market shares.

According to applicants, this has resulted in unacceptably low load factors, an over-served market, and inefficient operations.

Applicants submit that the pooling agreement will allow them to reduce excess bus capacity, cement their business relationship, and allow them to share in the financial

¹ Applicants have already received authority to pool their operations and revenues for their motor passenger and express transportation service between Philadelphia, PA, and New York City in Peter Pan Bus Lines, Inc.--Pooling--Greyhound Lines, Inc., STB Docket No. MC-F-20904 (STB served June 30, 1997). A similar request involving operations between New York City and Washington, DC is pending in Peter Pan Bus Lines, Inc.--Pooling--Greyhound Lines, Inc., STB Docket No. MC-F-20908. According to applicants, the instant application is a logical extension of the New York-Philadelphia pooling and the New York-Washington pooling. Applicants state that they intend to file a fourth such application involving operations between Albany, NY, and Boston, MA shortly. Applicants state that they consider the four agreements to be interrelated and intend to implement them simultaneously after approval by the Board. We note that the United States Department of Justice, Antitrust Division, has filed comments in STB Docket No. MC-F-20908, recommending that the Board find that there is a substantial likelihood that the proposed pooling of operations between New York City and Washington would unduly restrain competition.

vicissitudes of the pooled-route operations. They claim public benefits that will include: (1) rationalization of schedules, eliminating some duplicative departures “on the hour” while adding some departures on the half-hour during the busiest times of the day, resulting in more frequent bus service over a broader time period; (2) more coordinated use of terminals and ticketing agents, resulting in greater flexibility for passengers to use buses, tickets, and terminals; (3) capital improvements; and (4) continued bus service by more sound and financially stable carriers. In addition, they assert that approval of the pooling agreement will not significantly affect either the quality of the human environment or the conservation of energy resources. In fact, they claim that the reduction in the number of schedules each carrier operates will result in a salutary effect on the environment.

Applicants state that competition will not be unreasonably restrained. They argue that: (1) the pooled service is subject to substantial intermodal competitive pressure from Amtrak, airlines, and private automobiles; and (2) other motor passenger carriers may easily enter and compete in the market.

Copies of the application may be obtained free of charge by contacting applicants' representatives. A copy of this notice will be served on the Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue, N.W., Washington, DC 20530.

STB Docket No. MC-F-20912

Decided: October 30, 1997.

By the Board, Chairman Morgan and Vice Chairman Owen.

Vernon A. Williams

Secretary